

MINUTES OF THE SPECIAL COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON WEDNESDAY, 27 MARCH 2024 AT 10:00

PRESENT

Councillors

Councillor EM Sidego (DA) (Speaker)
Councillor TE Abrahams (DA) (Executive Mayor)
Alderman K Adams (DA)
Councillor P Daniels (DA)
Councillor S de Bruin (DA)
Councillor GJ Franse (DA)
Councillor JP Fredericks (FF Plus)
Councillor LA Hardnek (Witzenberg Party)
Councillor JF Nel (ICOSA)
Alderman HJ Smit (DA)
Councillor D Swart (DA)
Alderman JJ Visagie (DA)

Officials

Mr D Nasson (Municipal Manager)
Mr HJ Kritzinger (Director: Finance)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr J Kolkota (Deputy Director: Finance)
Ms N Oerson (Chief Internal Audit Executive)
Ms L Nieuwenhuis (Senior Manager: Legal Services)
Mr A Hofmeester (Manager: IDP)
Ms R Hendricks (Manager: Communication and Marketing)
Mr CG Wessels (Manager: Administration)
Ms M Arendse-Smith (Chief Administrative Officer)
Mr C Titus (Committee Clerk)
Ms MJ Prins (Word Processor Operator)
Mr J Pieterse (Senior ICT Officer)
Mr M Njokweni (Interpreter)

Other attendees

Mr M de Villiers (Ceres Business Initiative)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Speaker welcomed everyone and requested Councillor D Swart to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

**2.1 Consideration of application for leave of absence, if any
Aansoeke om verlof tot afwesigheid, indien enige
(3/1/2/1)**

Applications for leave of absence from the meeting were received from the following Councillors:

- (i) Councillor GG Laban (Party political matters)
- (ii) Councillor MJ Ndaba (Family matters)
- (iii) Councillor N Nogcinisa (Family matters)
- (iv) Councillor N Phatsoane (Family matters)
- (v) Councillor J Zalie (Party political matters)

UNANIMOUSLY RESOLVED

that the applications for leave of absence from the meeting, received from the following Councillors, be approved and accepted:

- (i) *Councillor GG Laban (Party political matters)*
- (ii) *Councillor MJ Ndaba (Family matters)*
- (iii) *Councillor N Nogcinisa (Family matters)*
- (iv) *Councillor N Phatsoane (Family matters)*
- (v) *Councillor J Zalie (Party political matters)*

The Speaker announced that item 8.1.1 (Draft Budget, Draft Review IDP and Draft Top Layer SDBIP for 2024/2025) will be discussed first.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktooraat Finansies / Directorate Finance

**8.1.1 Finance: Draft Budget 2024/2025, Draft Review IDP 2024/2025 and Draft Top Layer SDBIP 2024/2025
(5/1/1/23; 2/2/1 & 5/1/5/17)**

The following memorandum, dated 20 March 2024, was received from the Director: Finance:

"1. Purpose

The purpose of this report is to table the Draft Budget 2024/2025, Draft Review IDP 2024/2025 and Draft Top Layer SDBIP 2024/2025 to the Executive Mayor and Council.

2. Legal framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.'

'Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –
- (a) setting out realistically anticipated revenue for the budget year from each revenue source;
 - (b) appropriating expenditure for the budget year under the different votes of the municipality;
 - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
 - (d) setting out –
 - (i) estimated revenue and expenditure by vote for the current year; and
 - (ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
 - (e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.
- (2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- (3) When an annual budget is tabled in terms of Section 16 (2), it must be accompanied by the following documents:
- (a) draft resolutions –

- (i) approving the budget of the municipality;
 - (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
 - (iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
 - (iv) approving any other matter that may be prescribed;
- (b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;
- (c) a projection of cash flow for the budget year by revenue source, broken down per month;
- (d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;
- (e) any proposed amendments to the budget-related policies of the municipality;
- (f) particulars of the municipality's investments;
- (g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;
- (h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;
- (i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;
- (j) particulars of any proposed allocations or grants by the municipality to –
 - (i) other municipalities;
 - (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
 - (iii) any other organs of state;
 - (iv) any organisations or bodies referred to in Section 67(1);
- (k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of –
 - (i) each political office-bearer of the municipality;
 - (ii) councillors of the municipality; and
 - (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;

- (l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –
 - (i) each member of the entity's board of directors; and
 - (ii) the chief executive officer and each senior manager of the entity; and
- (m) any other supporting documentation as may be prescribed.'

'Funding of expenditures

- 18. (1) An annual budget may only be funded from –
 - (a) realistically anticipated revenues to be collected;
 - (b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - (c) borrowed funds, but only for the capital budget referred to in section 17 (2).
- (2) Revenue projections in the budget must be realistic, taking into account –
 - (a) projected revenue for the current year based on collection levels to date; and
 - (b) actual revenue collected in previous financial years.'

The following documents are attached:

- (a) Draft Top Layer SDBIP for 2024/2025: **Annexure 8.1.1(a)**.
- (b) Draft Review IDP 2024/2025: **Annexure 8.1.1(b)**.
- (c) Draft Budget: 2024/2025 – 2026/2027: **Annexure 8.1.1(c)**.
- (d) Draft Budget Related Policies: 2024/2025: **Annexure 8.1.1(d)**.
- (e) Draft Budget Schedules: 2024/2025 – 2026/2027: **Annexure 8.1.1(e)**.

UNANIMOUSLY RESOLVED

- (a) *that Council takes notice of the Draft Budget, the Draft Review IDP and the Draft Top Layer SDBIP of the Witzenberg Municipality for the financial year 2024/2025 and the indicative budget for the two years 2025/2026 and 2026/2027 that have been tabled by the Executive Mayor in Council.*

- (b) that the documents be advertised and made available at all libraries and municipal offices of Council.*
- (c) that public meetings be conducted as per the IDP Public Participation Programme.*

Councillor J Nel rendered an apology, which was approved by the Speaker, and he left the meeting at 10:30.

The Speaker announced a break of one (1) hour from 10:30 until 11:30.

9. ADJOURNMENT

The Speaker adjourned the meeting at 11:34 due to lack of a quorum.

Approved on 26 July 2024 without amendments.

COUNCILLOR EM SIDEGO
SPEAKER

/MJ Prins